

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 538 - HB 698**

March 30, 2017

**SUMMARY OF BILL:** Increases the salary of elected district attorneys general on June 1, 2017.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$237,400/FY16-17  
\$2,848,700/FY17-18 and Subsequent Years**

Assumptions:

- Tennessee Code Annotated § 8-7-105 sets the salary for elected district attorneys general at \$124,900. The proposed legislation increases this salary to \$165,380.
- Tennessee Code Annotated § 8-14-107 provides, “The salary for district public defenders shall be an amount equal to the salary established by law for district attorneys general. The annual salary shall be adjusted to reflect all salary increases provided to the district attorney general.”
- Tennessee Code Annotated § 40-30-209 provides, “The post-conviction defender shall be paid a salary equal to the amount established by law for district public defenders.”
- The proposed legislation only increases the salary for district attorneys general, but it will trigger salary increases for district public defenders and the post-conviction defender.
- Each district attorney general, district public defender, and the post-conviction defender will receive a salary increase of \$40,480 (\$165,380 - \$124,900).
- There are 31 district attorneys general, 31 district public defenders, and one post-conviction defender.
- It is assumed for purposes of this fiscal note that all persons affected by the proposed legislation were appointed or elected to their position before July 1, 2014.
- The annual limit on the contribution and benefit base for Federal Insurance Contributions Act (FICA) is \$127,200. Only \$2,300 of the \$40,480 salary increase will be subject to FICA.
- The proposed legislation will increase recurring state expenditures beginning in FY17-18 by \$2,848,737 {[(\$40,480 + (\$40,480 x 0.1127 benefits) + (\$2,300 x 0.0765 FICA] x 63 positions}.

- The provisions of this legislation require such increased compensation to be in effect as of June 1, 2017. Given the provisions of the bill become effective upon becoming law, it is assumed the legislation will be enacted and in effect timely enough to implement the compensation adjustments as of June 1, 2017, as proposed by the legislation. As a result, there will be a one-time increase in state expenditures occurring in FY16-17 for the month of June 2017, which is the last month of FY16-17. Therefore, the increase in state expenditures in FY16-17 is estimated to be \$237,395 [ $\$2,848,737 \times (1 / 12)$ ].

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/trm